

PUBLIC NOTICE

FEDERAL COMMUNICATIONS COMMISSION
445 12TH STREET, S.W.
WASHINGTON, D.C. 20554

DA 99-3028

Released: December 30, 1999

ARCH COMMUNICATIONS GROUP, INC. AND PAGING NETWORK, INC. SEEK FCC CONSENT FOR A PROPOSED TRANSFER OF CONTROL

WT DOCKET NO. 99-365

Comments/Petitions: Monday, January 31, 2000

Oppositions: February 10, 2000

Arch Communications Group, Inc. ("Arch") and Paging Network, Inc. ("PageNet") (the "Applicants") have filed applications under Section 310(d) of the Communications Act, 47 U.S.C. § 310(d), requesting Commission consent to transfer control of the licenses of each company to effectuate a merger ("Merger"). Under the terms of the Merger, in summary, current PageNet stockholders and bondholders will receive stock in post-Merger Arch, and current stockholders and bondholders of Arch will receive stock in post-Merger Arch. When completed, the Merger will result in: (1) the transfer of control of PageNet from its current stockholders to a newly constituted Arch; (2) the transfer of control of Arch from its current stockholders to a new, widely-dispersed group of investors that includes Arch's existing shareholders, certain of its bondholders, PageNet's stockholders and PageNet's bondholders; and (3) the *pro forma* transfer of control and/or assignment of all of PageNet's licenses to a new wholly-owned, indirect subsidiary of Arch to be called PageNet Holdings, Inc. The licenses and authorizations currently held by Arch licensee subsidiaries will continue to be held by these same entities but will be controlled by post-Merger Arch.

Arch and PageNet state that (i) the Merger will benefit the public interest by creating a vigorous competitor in emerging mobile wireless communications markets; (ii) while maintaining an emphasis on traditional paging, the Arch/PageNet combination will create significant synergies that will facilitate the roll-out of new and innovative services and create significant economic efficiencies benefiting existing and new subscribers; (iii) the combination will result in a financially stronger company; and (iv) the Merger will not adversely affect competition among either traditional paging carriers or in the emerging mobile wireless telecommunications market.

Waiver Request

The Applicants request a waiver of the Narrowband PCS spectrum aggregation limit contained in Section 24.101 of the Commission's rules, 47 C.F.R. § 24.101, which prohibits an entity from holding a five-percent or greater interest in more than three Narrowband PCS licenses in a given geographic area. This limit will be exceeded when Arch and PageNet merge because PageNet currently holds two 50/50 kHz narrowband PCS channels and one unpaired 50 kHz channel, and Arch holds two 50/12.5 kHz channels.¹ The Applicants request that the Commission waive Section 24.101(a) of the rules pending the Commission's completion of GEN Docket No. 90-314.

SECTION 310 TRANSFER OF CONTROL APPLICATIONS

The applications for transfer of control listed below include numerous Commission authorizations and licenses. Each Arch and PageNet subsidiary or affiliate may hold multiple authorizations or licenses of a particular type. Interested parties should refer to the transfer of control applications for a listing of the authorizations or licenses.

Applications Regarding Licenses and Authorizations Currently Held by Arch

Part 22 - Paging and Radiotelephone Licenses

The following applications for consent to transfer control from Arch Communications Group, Inc. to post-Merger Arch have been assigned the file numbers indicated below.

<u>File No</u>	<u>Licensee</u>	<u>Lead Call Sign</u>
0000053846	Arch Communications Enterprises LLC	KAA814
0000053848	Arch Connecticut Valley, Inc.	KCB892
0000053844	Arch Paging, Inc.	KDS762
0000053852	MobileMedia License Co. L.L.C.	KAA209

¹ In addition, Arch has minority, non-controlling interests in Narrowband PCS licensees Benbow PCS Ventures, Inc. ("Benbow"), licensee of regional narrowband PCS stations KNKV235, KNKV241, KNKV217, KNKV223, and KNKV229, and CONXUS Communications, Inc. ("CONXUS"), which has ceased operations and is the subject of liquidation proceedings under Chapter 7 of the U.S. Bankruptcy Code. The parties state that, on December 2, 1999, Arch formally disclaimed to the Bankruptcy Court any interest in the licenses held by CONXUS.

Part 22 - Air-to-Ground

The following applications for consent to transfer control from Arch Communications Group, Inc. to post-Merger Arch have been assigned the file numbers indicated below.

<u>File No.</u>	<u>Licensee</u>	<u>Lead Call Sign</u>
0000053846	Arch Communications Enterprises LLC	KUC954
0000053852	MobileMedia License Co. L.L.C.	KNKQ580

Part 24 - Narrowband PCS

The following application for consent to transfer control from Arch Communications Group, Inc. to post-Merger Arch has been assigned the file number indicated below.

<u>File No.</u>	<u>Licensee</u>	<u>Lead Call Sign</u>
0000053852	MobileMedia License Co. L.L.C.	KNKV207

Part 25 - Fixed Satellite Service

The following applications for consent to transfer control from Arch Communications Group, Inc. to post-Merger Arch have been assigned the file numbers indicated below.

<u>File No.</u>	<u>Licensee</u>	<u>Lead Call Sign</u>
SES-TC-19991213-02215	Arch Paging, Inc.	E940347
SES-TC-19991213-02216-(4)	MobileMedia License Co. L.L.C.	E930331

Part 25 - VSAT

The following application for consent to transfer control from Arch Communications Group, Inc. to post-Merger Arch has been assigned the file numbers indicated below.

<u>File No.</u>	<u>Licensee</u>	<u>Lead Call Sign</u>
SES-TC-19991213-02217	MobileMedia License Co. L.L.C.	E980474

Part 90 - PMRS Business Radio

The following application for consent to transfer control from Arch Communications Group, Inc. to post-Merger Arch has been filed; no specific file number for the transfer of control will be assigned.

<u>Licensee</u>	<u>Lead Call Sign</u>
Arch Connecticut Valley, Inc.	KNJV556

Part 90 - CMRS Business

The following applications for consent to transfer control from Arch Communications Group, Inc. to post-Merger Arch have been filed; no specific file number for the transfer of control will be assigned.

<u>Licensee</u>	<u>Lead Call Sign</u>
Arch Communications Enterprises LLC	KNNI382
Arch Connecticut Valley, Inc.	WNKT914
Arch Paging, Inc.	WNGU433
MobileMedia License Co. L.L.C.	KNHJ817

Part 90 - Private Carrier Paging

The following applications for consent to transfer control from Arch Communications Group, Inc. to post-Merger Arch have been filed; no specific file number for the transfer of control will be assigned.

<u>Licensee</u>	<u>Lead Call Sign</u>
Arch Communications Enterprises LLC	KNGJ215
Arch Connecticut Valley, Inc.	WPJY690
Arch Paging, Inc.	KNNG389
MobileMedia License Co. L.L.C.	WNIR987
Nationwide 929.8875 LLC	KNNF609

Part 90 - 800 MHz SMR (non-auction)

The following application for consent to transfer control from Arch Communications Group, Inc. to post-Merger Arch has been filed; no specific file number for the transfer of control will be assigned.

Licensee**Lead Call Sign**

Arch Connecticut Valley, Inc.

WNAU450

Part 101 - Common Carrier Point-to-Point Microwave

The following applications for consent to transfer control from Arch Communications Group, Inc. to post-Merger Arch have been filed and assigned the file numbers indicated below.

<u>File No.</u>	<u>Licensee</u>	<u>Lead Call Sign</u>
0000053846	Arch Communications Enterprises LLC	WGX437
0000053848	Arch Connecticut Valley, Inc.	WLK723
0000053844	Arch Paging, Inc.	WHO364
0000053852	MobileMedia License Co. L.L.C.	WDU308

Part 101 - Private Operational Fixed Microwave

The following applications for consent to transfer control from Arch Communications Group, Inc. to post-Merger Arch have been filed and assigned the file numbers indicated below.

<u>File No.</u>	<u>Licensee</u>	<u>Lead Call Sign</u>
0000053846	Arch Communications Enterprises LLC	KEZ49
0000053848	Arch Connecticut Valley, Inc.	WNTF824
0000053844	Arch Paging, Inc.	WNES202

Applications Regarding Licenses and Authorizations Currently Held by PageNet**Part 5 – Experimental Radio License**

The following application for consent to transfer control from Paging Network, Inc. to post-Merger Arch has been filed and assigned the file number indicated below.

<u>File No.</u>	<u>Licensee</u>	<u>Lead Call Sign</u>
28-EX-TC-1999	Paging Network of Dallas/Ft. Worth, Inc.	WA2XHJ

Part 22 - Paging and Radiotelephone

The following application for consent to transfer control from Paging Network, Inc. to post-Merger Arch has been filed covering all of the licensees listed below and has been assigned the file number indicated below.

<u>File No.</u>	<u>Licensee</u>	<u>Lead Call Sign</u>
0000056169	Paging Network of America, Inc.	KEA254
0000056169	Paging Network of Colorado, Inc.	same
0000056169	Paging Network of Illinois, Inc.	same
0000056169	Paging Network of Los Angeles, Inc.	same
0000056169	Paging Network of Michigan, Inc.	same
0000056169	Paging Network of New York, Inc.	same
0000056169	Paging Network of Ohio, Inc.	same
0000056169	Paging Network of Tennessee, Inc.	same
0000056169	Paging Network of Washington, Inc.	same
0000056169	PageNet, Inc.	same

Part 24 - Narrowband PCS

The following application for consent to transfer control from Paging Network, Inc. to post-Merger Arch has been filed and assigned the file number indicated below.

<u>File No.</u>	<u>Licensee</u>	<u>Lead Call Sign</u>
0000056169	Paging Network of America, Inc.	KNKV201

Part 25 - Fixed Satellite Service

The following applications for consent to transfer control from Paging Network, Inc. to post-Merger Arch have been filed and assigned the file numbers indicated below.

<u>File No.</u>	<u>Licensee</u>	<u>Lead Call Sign</u>
SES-TC-19991213-02218	Paging Network of Dallas/Ft. Worth, Inc.	E970382
SES-TC-19991213-02219	Paging Network of Los Angeles, Inc.	E950191

Part 25 – VSAT

The following application for consent to transfer control from Paging Network, Inc. to post-Merger Arch has been filed and assigned the file number indicated below.

<u>File No.</u>	<u>Licensee</u>	<u>Lead Call Sign</u>
SES-TC-19991213-02220	Paging Network of Dallas/Ft. Worth, Inc.	E980420

Part 90 - Private Carrier Paging

The following applications for consent to transfer control from Paging Network, Inc. to post-Merger Arch have been filed; no specific file number for the transfer of control will be assigned.

<u>Licensee</u>	<u>Lead Call Sign</u>
Paging Network of America, Inc.	KNNP874
Paging Network of Colorado, Inc.	WPDA685
Paging Network of Illinois, Inc.	WPMW213
Paging Network of Massachusetts, Inc.	WPHD941
Paging Network of Michigan, Inc.	WPBJ817
Paging Network of San Francisco, Inc.	KNNW866
Paging Network of Tennessee, Inc.	WPMX977
Paging Network of Washington, Inc.	WPMU632

Part 90 - 900 MHz SMR (auctioned)

The following application for consent to transfer control from Paging Network, Inc. to post-Merger Arch has been filed covering the licensees listed below and has been assigned the file number indicated below.

<u>File No.</u>	<u>Licensee</u>	<u>Lead Call Sign</u>
0000056169	PageNet, Inc.	KNNX736
0000056169	Paging Network of America, Inc.	KNNX819
0000056169	Paging Network of Colorado, Inc.	KNNX739
0000056169	Paging Network of Dallas/Ft. Worth, Inc.	KNNY389
0000056169	Paging Network of Illinois, Inc.	KNNX325
0000056169	Paging Network of Los Angeles, Inc.	KNNX260
0000056169	Paging Network of Michigan, Inc.	KNNX348
0000056169	Paging Network of New York, Inc.	KNNX223
0000056169	Paging Network of Oregon, Inc.	KNNX472
0000056169	Paging Network of San Francisco, Inc.	KNNX783

Part 90 - 900 MHz SMR (non-auctioned)

The following applications for consent to transfer control from Paging Network, Inc. to post-Merger Arch have been filed; no specific file number for the transfer of control will be assigned.

<u>Licensee</u>	<u>Lead Call Sign</u>
Paging Network of America, Inc.	KNNT454
Paging Network of Dallas/Ft. Worth, Inc.	WNKL293
Paging Network of Los Angeles, Inc.	WNIX550
Paging Network of Tennessee, Inc.	WNKM849

Part 90 – Private Land Mobile Radio Services (Special Emergency)

The following application for consent to transfer control from Paging Network, Inc. to post-Merger Arch has been filed; no specific file number for the transfer of control -will be assigned.

<u>Licensee</u>	<u>Lead Call Sign</u>
Paging Network of San Francisco, Inc	WPGK374

Part 101 - Common Carrier Point-to-Point Microwave

The following applications for consent to transfer control from Paging Network, Inc. to post-Merger Arch have been filed and assigned the file numbers indicated below.

<u>File No.</u>	<u>Licensee</u>	<u>Lead Call Sign</u>
0000061026	Paging Network of San Francisco, Inc.	WFY497
0000061038	Paging Network of Florida, Inc.	WLB317
0000061393	Paging Network of Washington, Inc.	WLS994

Arch and PageNet have requested that grant of the applications listed herein include the authority for post-merger Arch to acquire control of: (1) any authorization issued to Arch or PageNet or their subsidiaries and affiliates during the Commission's consideration of the transfer of control applications and the period required for consummation of the transaction following Commission approval; (2) construction permits held by licensees involved in this transfer of control that mature into licenses after closing and that may have been omitted from the transfer of control applications; and (3) applications that will have been filed by such licensees and that are pending at the time of consummation of the proposed transfer of control.

GENERAL INFORMATION

The applications listed herein have been found, upon initial review, to be acceptable for filing. The Commission reserves the right to return any application if, upon further examination, it is determined to be defective and not in conformance with the Commission's rules and policies. Final action will not be taken on the applications listed herein earlier than thirty-one days following the date of this Notice. See 47 U.S.C. § 309.

Filing comments, petitions and/or oppositions: Interested parties may file comments or petitions to deny no later than **January 31, 2000**. Oppositions to such pleadings may be filed no later than **February 10, 2000**. All filings concerning any or all matters referenced in this

Public Notice should refer to **WT Docket No. 99-365** and **DA 99-3028**. In accordance with Section 1.51(c) of the Commission's Rules, 47 C.F.R. §1.51(c), an original and 4 copies of all pleadings must be filed with the Commission's Secretary, Magalie Roman Salas, 445 12th Street, S.W., TW B204, Washington, D.C. 20554. **In addition, one copy of each pleading must be delivered to each of the following locations:** (1) International Transcription Service, Inc., the Commission's duplicating contractor, at its office at 445 12th Street, S.W., CY-B402, Washington, D.C. 20554; (2) the Commission's Office of Public Affairs, 445 12th Street, S.W., Room CY-C314, Washington, D.C. 20554; (3) Lauren Kravetz, Policy and Rules Branch, Commercial Wireless Division, Wireless Telecommunications Bureau, 445 12th Street, S.W., Room 4-A163, Washington, D.C. 20554; (4) Ramona Melson, Public Safety and Private Wireless Division, Wireless Telecommunications Bureau, 445 12th Street, S.W., Room 4-C237, Washington, D.C. 20554; and (5) Jeanette Spriggs, Satellite Engineering Branch, Satellite Division, International Bureau, 445 12th Street, S.W., Room 7-A455, Washington, D.C. 20554.

Filing via ECFS: Parties may also file comments using the Commission's Electronic Comment Filing System (ECFS). See *Electronic Filing of Documents in Rulemaking Proceedings*, 63 Fed. Reg. 24,121 (1998). Comments filed through the ECFS can be sent as an electronic file via the Internet to <<http://www.fcc.gov/e-file/ecfs.html>>. Generally, only one copy of an electronic submission must be filed. If multiple docket or rulemaking numbers appear in the caption of this proceeding, however, commenters must transmit one electronic copy of the comments to each docket or rulemaking number referenced in the caption. In completing the transmittal screen, commenters should include their full names, Postal Service mailing addresses, and the applicable docket or rulemaking number(s). Parties may also submit electronic comments by Internet e-mail. To obtain filing instructions for e-mail comments, commenters should send an e-mail to ecfs@fcc.gov, and should include the following words in the body of the message, "get form <your e-mail address>." A sample form and directions will be sent in reply.

Submission of diskette: Parties are also encouraged to file a copy of all pleadings on 3.5 inch diskette in an IBM-compatible format using Microsoft Word 97 for Windows software in "read only" mode. Diskette submissions should be in addition to and not a substitute for the hard copy filing requirement reviewed above. All diskettes should be clearly labeled with: (1) the party's name; (2) the name of the proceeding and docket number; (3) the type of filing submitted (e.g., comments or oppositions); and (4) the date of submission. The diskettes should be accompanied by a cover letter and filed with Lauren Kravetz, Policy and Rules Branch, Commercial Wireless Division, Wireless Telecommunications Bureau, 445 12th Street, S.W., Room 4-A163, Washington, D.C. 20554.

Obtaining copies of the applications: Copies of the applications and any subsequently filed documents in this matter may be obtained from International Transcription Service, Inc. (ITS), 445 12th Street, S.W., CY-B402, Washington, D.C. 20554, (202) 314-300. The applications and documents are also available for public inspection and copying during normal reference room hours through the Commission's Office of Public Affairs, Reference Operations Division, 445 12th Street, S.W., Room CY-C314, Washington, D.C. 20554. Electronic versions

of applications involving Paging and Radiotelephone Services (Part 22), Narrowband Personal Communications Services (Part 24), Auctioned 900 MHz SMR (Part 90), Common Carrier Point-to-Point Microwave (Part 101), and Private Operational Fixed Microwave (Part 101) are available via the Wireless Telecommunications Bureau Universal Licensing System, which is accessible on the Commission's website www.fcc.gov.

Ex Parte status: Pursuant to 47 C.F.R. § 1.1200(a), which permits the Commission to adopt modified *ex parte* procedures in particular proceedings if the public interest so requires, we announce that this proceeding will be governed by “**permit-but-disclose**” *ex parte* procedures that are applicable to non-restricted proceedings under 47 C.F.R. § 1.1206.

For further information, contact Lauren Kravetz or Pieter van Leeuwen, Wireless Telecommunications Bureau, Commercial Wireless Division at (202) 418-7240 (Parts 22 and 24); Ramona Melson, Wireless Telecommunications Bureau, Public Safety and Private Wireless Division at (202) 418-0680 (Parts 90 and 101); or Jeanette Spriggs, International Bureau, Satellite Division at (202) 418-0719 (Part 25).

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PUBLIC NOTICE

FEDERAL COMMUNICATIONS COMMISSION
445 12TH STREET, S.W.
WASHINGTON, D.C. 20554

DA 99-3032

News media information 202/418-0500 Fax-On-Demand 202/418-2830 Internet: <http://www.fcc.gov> <ftp.fcc.gov>

CABLE SERVICES BUREAU ACTION

December 30, 1999

THIRD QUARTER 1999 INFLATION ADJUSTMENT FIGURE FOR CABLE OPERATORS USING FCC FORM 1240 NOW AVAILABLE

As described in the instructions for FCC Form 1240, cable operators may adjust the non-external cost portion of their rates for inflation based on quarterly figures released by the Commission. The Third Quarter 1999 Inflation Factor for operators using FCC Form 1240 is 1.04%.

The adjustment factor of 1.04% is a measure of the annualized change in prices occurring over the period from July 1, 1999 to September 30, 1999. The factor is based on the changes in the quarterly Gross National Product Price Index (GNP-PI) published by the Bureau of Economic Analysis (BEA) of the United States Department of Commerce. The indexes used were the Gross National Product: Chain-type price indexes for the second quarter 1999 and the third quarter 1999. These indexes were obtained from Table 5 of the BEA news release dated December 22, 1999 (BEA 99-37).

The inflation adjustment factor is calculated by taking the GNP-PI from the third quarter of 1999 (104.41) and dividing by the GNP-PI for the second quarter of 1999 (104.14). The result of this calculation is converted from a quarterly change measurement factor to an annual change measurement factor by raising it to the fourth power.

Operators calculating the Inflation Factor for a True-Up Period which includes some portion of the third quarter of 1999 should enter the inflation factor on the appropriate lines of Worksheet 1 of FCC Form 1240 as "0.0104." Operators using this factor for calculating the Projected Period Inflation Segment of FCC Form 1240 should enter this number on Line C3 (January, 1996 version), or Line C5 (July, 1996 version), as "1.0104."